

STATEMENT OF WORK

REAL ESTATE RELATED SERVICES

This Statement of Work is appended to the Agreement for Transition Services (the "Agreement") dated _____, by and between Genuity Solutions Inc. ("Genuity") and GTE Service Corporation ("GTE"), and shall be governed by the terms and conditions thereof. The services described herein shall be provided for a period of three (3) consecutive months after the Effective Date of the Transition Services Agreement.

The purpose of this SOW is to provide for the transition of a variety of real estate related services. The services as described in this SOW relate to real estate project management, real estate administration, various building services (including dispatch center services for building-related work requests, building maintenance services for POP sites, and invoice processing services for invoices associated with building-related work requests), environmental and safety services, and building security services. Genuity desires to retain GTE to provide these services during a transitional period while Genuity hires necessary staff, implements necessary processes and procedures, and enters into necessary third party contracts in order to permit the smooth operation of its business until Genuity is better prepared to handle these services independently of GTE. None of the services set forth in this SOW are expected to continue for longer than the initial one-year term of the Agreement.

REAL ESTATE PROJECT MANAGEMENT SERVICES

GTE Corporate Real Estate provides project management services for major real estate projects, including strategic planning, design and construction management, and accounting project control. Genuity desires to retain GTE to provide these services as needed and requested by Genuity through written project authorizations. Any project authorization may be terminated by either party on 30 days written notice as set forth below.

1. GTE shall provide real estate project management services for major real estate projects, as requested and ordered by Genuity through a written project authorization, which shall be subject to GTE's written acceptance and approval. Project types may include new leases, lease renewals, acquisitions by fee, relocations, build-to-suits and any other project involving real estate services. Project management services include:
 - Evaluate project alternatives to determine cost-effective real estate strategies.
 - Negotiate with outside real estate brokers and developers with respect to acquisitions and/or dispositions of real property.
 - Develop total project budgets.
 - Coordinate the work of Genuity's outside consultants, including but not limited to attorneys and environmental consultants.
 - Manage the overall real estate project.
2. GTE shall provide design and construction management services for major real estate projects, as requested and ordered by Genuity through a written project authorization, which shall be subject to GTE's written acceptance and approval. Project types may

include build-to-suits and any other project involving design and construction of real estate improvements. Design and construction management services include:

- Review Genuity's initial project assumptions and development of preliminary cost estimates, preliminary project programming, and preliminary schedule.
 - Identify, evaluate and recommend outside project consultants.
 - Coordinate and track the progress of overall design development and construction document preparation process.
 - Manage value engineering process.
 - Conduct construction management activities.
 - Coordinate the work of outside design and construction consultants, including architects and engineers.
 - Track and update budgets and schedules.
 - Manage project closeout activities.
3. GTE shall provide project control services for major real estate projects, as requested and ordered by Genuity through a written project authorization, which shall be subject to GTE's written acceptance and approval. Project control services include:
- Provide accounting project management support on all phases of a project plan, design, construction and closeout.
 - Issue control guidelines and ensure that project commitments and expenditures are properly tracked against approved budgets.
 - Create and update project's financial forecast (outlook).
 - Prepare and issue a weekly project outlook to the project team.
 - Review the project for compliance against accepted control practices and issue an exception report.
 - Process approvals for contractor, developer, architect and other vendor change requests and reconcile approved change requests to the change request log and project outlook.
 - Audit construction and professional fee invoices to ensure compliance to contracts, project control guidelines, and generally accepted accounting principles.
4. Service Commitment. GTE shall follow all Genuity processes and procedures that are communicated to GTE.

Genuity's Responsibilities with respect to Real Estate Project Management Services

Genuity shall prepare and submit a project authorization for any real estate project management services requested under this SOW. The project authorization shall include a description of the project and a description of any specific services required by Genuity as part of the project management services. In addition, Genuity shall provide project support staff as necessary to assist in the coordination of IT, furniture and move requirements.

Pricing Structure with respect to Real Estate Project Management Services

GTE may use GTE-approved subcontractors to provide any of the real estate project management services under this SOW, with supervision of such subcontractors to be provided by GTE. During the initial one-year term of the agreement, Genuity shall pay GTE the following fees for these services:

GTE Project Director	\$145 per hour
GTE Project Manager	\$135 per hour
GTE Project Controller	\$115 per hour
GTE Project Accountant	\$ 70 per hour
Subcontractors	direct cost

In addition to these fees and charges, Genuity shall reimburse GTE for (i) all travel-related costs and expenses in accordance with the terms of the agreement, (ii) all costs and expenses for long distance, communications, reproductions, courier and delivery services, and postage incurred by GTE in the performance of these services, and (iii) all costs and expenses of consultants or other 3rd party services retained for or on behalf of Genuity in connection with the performance of real estate project management services, such as appraisals, surveys and marketing materials. GTE shall submit monthly invoices to Genuity for the real estate project management services.

Other Specific Terms or Conditions with respect to Real Estate Project Management Services

GTE may use GTE-approved subcontractors to perform any of the real estate project management services under this SOW.

Real estate project management services may be ordered by Genuity only through a written project authorization. All project authorizations shall be subject to GTE's written acceptance and approval.

Any project authorization may be terminated by either party for any or no reason upon 30 days written notice. In the event of termination, Genuity shall pay GTE for all services performed through the date of termination.

Notwithstanding the expiration of the term of this SOW, this SOW shall remain in effect with respect to and for the duration of any project authorization entered into under this SOW that by its terms extends beyond the expiration of this SOW.

REAL ESTATE ADMINISTRATION SERVICES

GTE Corporate Real Estate provides lease administration services, new lease and lease renewal support, and support for acquisitions and dispositions of owned real estate. In connection with these services, real estate information is entered into a GTE-owned real estate database. Genuity desires to use the GTE-owned real estate database and to retain GTE to provide these services during a transition period while Genuity builds its own real estate organization and evaluates the service options available to it from other third party providers. The real estate administration services may be terminated by Genuity on 60 days written notice as set forth below.

1. GTE shall furnish the GTE Real Estate Database for use by GTE, GTE's subcontractors and Genuity personnel during the term of this SOW for maintenance of Genuity's real estate data. Genuity's use of the GTE Real Estate Database is limited to the use described in this SOW and the services to be provided by GTE in connection therewith are expressly limited to the following:

- Install a duplicate copy of the GTE Real Estate Database (RED), transfer to this duplicate database (Duplicate RED) all Genuity records residing on RED, and provide access rights to Duplicate RED to appropriate GTE personnel and subcontractors.
- If and as requested by Genuity, setup additional Genuity users on Duplicate RED and train Genuity personnel on use of RED.

Genuity's rights to use Duplicate RED shall automatically terminate upon expiration or termination of this SOW.

2. GTE shall provide the following real estate lease administration services:

- Prepare lease abstract and lease responsibility matrix for all executed leases. Lease abstracts shall include property information (such as address and square footage), rent stream during entire term, escalation clauses, sales tax, critical dates (such as scheduled rent increases and renewal options), and other special options and clauses (such as expansion rights and rights of first refusal)
- Enter lease data in Duplicate RED, including all actions required to set up property on Duplicate RED and entry of data from lease abstract.
- File set-up, including distribution of new lease and/or lease renewal notification letters to distribution list identified by Genuity, together with copies of lease abstract and lease responsibility matrix.
- Coordinate insurance, including communication with insurance contacts as identified and directed by Genuity to secure certificates of insurance and follow-up with landlords to insure receipt.
- Complete and process payment forms as identified and directed by Genuity.
- Critical date reporting, as well as on-going review of, and initiation of actions identified on critical date reports.
- Operating expense true-ups, including review of landlords' operating expense reconciliations to confirm consistency and compliance with lease terms, including accuracy of landlords' computations.
- Process estoppel certificates and non-disturbance, subordination and attornment agreements, including review and confirmation of lease terms and coordination of legal review by Genuity's designated legal counsel.
- "Lease-To" administration, including preparation of forms for billing tenants and subtenants for all leases-to's and subleases, notification of rent payment adjustments, processing insurance certificates, and abstracting new leases.
- Process standard reports from information resident in Duplicate RED.
- Budget support, such as provision of current rent information with projected base rent increases and estimated operating expense adjustments.
- Administer landlord/tenant communications, including escalation point of contact with landlords on maintenance issues and follow-up with Genuity and preparation of letters to landlords to communicate address or reporting changes.

3. GTE shall provide new lease and complex lease renewal administrative support, specifically:

- Database input, including entry of request/assignment in Duplicate RED and coordination of responsibilities concerning the new lease or complex renewal.
- On-going coordination and communication among all responsible persons.

- Coordinate and process internal approval documentation based on approval matrix submitted by Genuity and as otherwise identified and directed by Genuity, such as preparation of financial analyses and Genuity requisition forms, comparison of business case information with financial analyses to conform to Genuity requirements, and tracking of internal approval documents until fully executed.
 - Lease document review and preparation of proposed revisions and comments.
 - Coordinate legal review by Genuity's designated legal counsel.
 - Submit approved lease documentation for execution.
 - Weekly review of all current files, participation in project meetings for communication with Genuity team, and preparation of any correspondence or additional documents to resolve special issues.
4. GTE shall provide administrative support for simple lease renewals, specifically:
- Coordinate and process internal approval documentation based on approval matrix submitted by Genuity and as otherwise identified and directed by Genuity.
 - Review of lease document for terms and conditions of renewal.
 - Prepare notification letters to landlords.
 - Communicate with individuals designated by Genuity to ensure that rent payments are current during the renewal phase.
 - Coordinate legal review by Genuity's designated legal counsel.
 - Submit approved documentation for execution.
5. GTE shall provide administrative support for "lease-to's" (both affiliate and non-affiliate transactions), specifically:
- Receive and review initial request from prospective tenant, and coordinate completion of any requisite internal approval forms based on approval matrix submitted by Genuity and as otherwise identified and directed by Genuity.
 - Determine fair market value for lease rate.
 - Coordinate and process any internal approvals as identified and directed by Genuity.
 - Respond to questions and requests and participate in meetings as necessary.
 - Prepare lease document and coordinate legal review and approval by Genuity's designated legal counsel.
 - Circulate approved lease documents for execution.
6. GTE shall provide administrative support for real property acquisitions, specifically:
- Database input, including entry of request/assignment in Duplicate RED and coordination of responsibilities concerning the acquisition, as well as on-going entry of updates on progress of site selection.
 - Distribute information about prospective sites to individuals designated by Genuity.
 - Prepare, submit and route any concurrence memoranda to various Genuity departments and/or individuals as identified and directed by Genuity (such as Environmental Affairs, Building Services and Network Construction).
 - Order appraisals and brokers' opinions of value as directed by Genuity.
 - Order title search and a survey and route to appropriate individuals as identified and designated by Genuity.
 - Coordinate and process internal approval documentation based on approval matrix submitted by Genuity and as otherwise identified and directed by Genuity, such as

preparation of financial analyses and Genuity requisition forms, comparison of business case information with financial analyses to conform to Genuity requirements, and tracking of internal approval documents until fully executed.

- Coordinate preparation of purchase contract, review purchase contract and prepare proposed revisions and comments, and coordinate legal review by Genuity's designated legal counsel.
- Submit approved purchase contract for execution by Genuity.
- Post-closing, prepare log of all charges associated with acquisition of property.
- Notify individuals designated by Genuity of the property acquisition and distribute copies of relevant closing documents as directed by Genuity.
- Participate in project meetings for communication with Genuity team, prepare any correspondence or additional documents to resolve special issues, and route invoices for payment.

7. GTE shall provide administrative support for disposition of owned real estate, specifically:

- Research inquiries from interested parties.
- Prepare, submit and track any concurrence memoranda to various Genuity departments and/or individuals as identified and directed by Genuity.
- Prepare summary of responses to concurrence memoranda and submit to Genuity for further direction.
- If Genuity declares property to be surplus, coordinate disposition. Obtain appraisal or broker's opinion of value; compile property information file and obtain any documents or information not received during research phase; present information to Genuity for determination of sales price; and handle and coordinate negotiations with prospective buyer.
- Market property.
- Coordinate and process internal approval documentation based on approval matrix submitted by Genuity and as otherwise identified and directed by Genuity, such as preparation of financial analyses and Genuity requisition forms, comparison of business case information with financial analyses to conform to Genuity requirements, and tracking of internal approval documents until fully executed.
- Coordinate preparation of sales contract, review sales contract and prepare proposed revisions and comments, and coordinate legal review by Genuity's designated legal counsel.
- Submit approved sales contract for execution by Genuity.
- Notify individuals designated by Genuity of the property disposition and distribute copies of relevant closing documents as directed by Genuity.
- Post-closing, prepare log of all charges associated with marketing and sale of property.
- Participate in project meetings for communication with Genuity team, prepare any correspondence or additional documents to resolve special issues, and route invoices for payment.
- Maintain Genuity owned real estate information in Duplicate RED.

8. Service Commitment. GTE shall follow all Genuity processes and procedures that are communicated to GTE.

Genuity's Responsibilities with respect to Real Estate Administration Services

Genuity shall provide all information required for GTE to perform its duties hereunder.

Pricing Structure with respect to Real Estate Administration Services

GTE may use GTE-approved subcontractors to provide any of the real estate administration services under this SOW, with supervision of such subcontractors to be provided by GTE. During the initial one-year term of the agreement, Genuity shall pay GTE the following fees for these services:

Annual Administrative Fee:	\$110,000.00, payable in equal monthly installments of \$9,166.67; this administrative fee covers all travel, general office expenses and other overhead
Subcontractors:	direct cost for all services obtained from subcontractors, including without limitation all costs associated with installation and administration of Duplicate RED and all transaction fees payable in connection with brokerage services, EXCEPT for any administrative fee payable by GTE to Cushman & Wakefield, Inc. and/or The Staubach Company and/or any subcontractor providing similar administrative services.

GTE estimates that the subcontractor fees associated with installation of Duplicate RED will be approximately \$13,000.00, plus approximately \$400.00 for each additional user designated by Genuity.

In addition to these fees and charges, Genuity shall reimburse GTE for all costs and expenses of consultants or other 3rd party services retained for or on behalf of Genuity in connection with the performance of real estate administration services, such as appraisals, surveys and marketing materials. GTE shall submit monthly invoices to Genuity for the real estate administration services.

Other Specific Terms or Conditions with respect to Real Estate Administration Services

GTE may use GTE-approved subcontractors to perform any of the real estate administration services under this SOW. Without limiting the generality of the foregoing, Genuity acknowledges and agrees that GTE may subcontract any or all of the real estate administration services to Cushman & Wakefield, Inc. and The Staubach Company and their respective affiliates.

Genuity may terminate the real estate administration services set forth herein for any or no reason upon 60 days written notice. In the event of such termination, Genuity shall pay GTE for all services performed through the date of termination.

DISPATCH CENTER SERVICES

GTE Support Assets provides a 24-hour call center for entry and dispatching of work requests for certain building services. Genuity desires to retain GTE to provide these services during a

transition period while Genuity makes alternate arrangements for these services. GTE has agreed to provide these services through December 31, 2000; however, Genuity may terminate these services at any time as set forth below.

1. GTE shall provide 24-hour call center and dispatch function for building operation, maintenance and repair and for furniture repairs and rearrangements. Work will be dispatched to the employee or contractor designated by Genuity.
2. Service Commitment. GTE will dispatch each work request within 10 minutes of receiving the call.

Term for Dispatch Center Services

GTE shall provide these dispatch center services through December 31, 2000, subject to termination of these services by Genuity at any time in its sole and absolute discretion.

Genuity's Responsibilities with respect to Dispatch Center Services

Genuity shall provide all information required for GTE to perform its duties hereunder including, but not limited to, (a) the names and contact information for all employees and contractors designated by Genuity to receive work requests for (i) building operation, maintenance and repairs and (ii) furniture repairs and rearrangements, and (b) location, contact information, and the nature of services required for each work request.

Pricing Structure for Dispatch Center Services

Genuity shall pay GTE at a rate of \$9.70 per work request. GTE shall submit quarterly invoices to Genuity for these dispatch center services.

Other Specific Terms or Conditions with respect to Dispatch Center Services

The parties understand and agree that GTE may cause these dispatch center services to be provided by or through one of its Network Services affiliates.

POP SITE BUILDING TECHNICIAN SERVICES

GTE Support Assets manages building technicians who provide building maintenance and repair services to certain points of presence (POP sites) on Genuity's fiber optic network. Genuity desires to retain GTE to provide these building maintenance and repair services during a transition period to allow Genuity to make alternate arrangements for these services. GTE has agreed to provide these services through December 31, 2000; however, Genuity may terminate these services at any time as set forth below.

1. GTE shall provide building repairs and maintenance for **(number)** currently existing Genuity POP sites as requested by Genuity. Maintenance shall include preventative maintenance as well as maintenance and repairs necessitated by equipment failure. No new POP sites will be added to the number of POP sites covered by this agreement.

2. GTE is hereby authorized to purchase parts and materials up to \$500.00 per work request in connection with the performance of these services without any other or further authorization from Genuity. GTE shall not purchase any parts or materials in excess of \$500 per work authorization without prior authorization from Genuity.
3. Service Commitment. Building technicians will respond within the following time frames:

Emergency (Priority 1) – within 24 hours
Non-emergency (Priority 3) – within 7 days

Term for POP Site Building Technician Services

GTE shall provide these POP site building technician services through December 31, 2000, subject to termination of these services by Genuity at any time in its sole and absolute discretion.

Genuity's Responsibilities with respect to POP Site Building Technician Services

Genuity shall provide all information required for GTE to perform its duties hereunder. In addition, Genuity shall provide access to all sites, and contact information for an Genuity contact with whom to discuss problem resolution.

Pricing Structure with respect to POP Site Building Technician Services

Genuity shall pay GTE at a rate of \$34.32 per hour for these services, including travel time. In addition to the hourly fees, Genuity shall reimburse GTE for all travel-related costs and expenses and the cost of all parts and materials used by GTE and/or the building technicians in the performance of these services, all in accordance with the terms of the agreement and this SOW. GTE shall submit quarterly invoices to Genuity for these POP site building technician services.

Other Specific Terms or Conditions with respect to POP Site Building Technician Services

GTE may use GTE-approved subcontractors to perform the POP site building technician services described in this SOW. Without limiting the generality of the foregoing, the parties further understand and agree that GTE may cause these building technician services to be provided by or through one of its Network Services affiliates.

FM INVOICE PROCESSING SERVICES

GTE Support Assets provides invoice processing services for invoices associated with work requests generated by the call center and entered into its FM system. Genuity desires to retain GTE to provide these invoice processing services during a transition period to allow Genuity to make alternate arrangements for these services. GTE has agreed to provide these services for all invoices associated with a FM invoice through December 31, 2000; however, Genuity may terminate these services at any time as set forth below.

1. GTE shall perform all invoice processing of all Genuity invoices for building and furniture-related work associated with a FM work request. GTE shall receive, review and

electronically process these invoices for approval and payment through the FM system and the GTE accounts payable system.

2. Service Commitment. GTE shall process each invoice within three business days of receipt.

Term for FM Invoice Processing Services

GTE shall provide these FM invoice processing services through December 31, 2000, subject to termination of these services by Genuity at any time in its sole and absolute discretion.

Genuity's Responsibilities with respect to FM Invoice Processing Services

Genuity shall provide all information/instruction regarding processing and payment of invoices.

Pricing Structure with respect to FM Invoice Processing Services

Genuity shall pay GTE \$4.28 per invoice for these services. GTE shall submit quarterly invoices to Genuity for these invoice processing services.

Other Specific Terms or Conditions with respect to FM Invoice Processing Services

GTE shall provide these services only for invoices related to a work request generated from the FM system. The parties understand and agree that GTE may cause these FM invoice processing services to be provided by or through one of its Network Services affiliates.

ENVIRONMENTAL SERVICES – IN GENERAL

GTE Environmental Affairs provides a variety of environmental services, including environmental investigation and inspection services in connection with real estate transactions, environmental compliance services, and environmental administration and project management. Genuity desires to retain GTE to provide these environmental services during a transition period to allow Genuity to make alternate arrangements for these services. GTE has agreed to provide environmental real estate transaction services for all proposed POP sites and for other sites as requested by Genuity, environmental compliance services as needed and requested by Genuity, and environmental administration and project management services. Genuity may terminate these services upon 60 days written notice as set forth below.

ENVIRONMENTAL REAL ESTATE TRANSACTION SERVICES

1. Upon request by Genuity, GTE shall conduct a Step 1 Phase I. A Step I Phase I is a site assessment with a limited scope that may be appropriate for certain property transactions, for example a lease of office space where no hazardous chemicals are used or stored. GTE may perform these assessments or, depending on the location of the property and time constraints, a GTE may retain a 3rd party consultant to perform these assessments on behalf of Genuity. Upon completion of the Step I Phase I GTE shall deliver to Genuity either an E-mail or letter report outlining the issues found at the site and any recommendations for additional work.

2. GTE shall conduct a Phase I site assessment on all properties Genuity proposes to use as a POP site and on other properties as requested by Genuity. GTE shall retain 3rd party consultants to perform these assessments. The Phase I site assessments shall be conducted as per American Society for Testing and Materials (ASTM) standards, and shall include a detailed history of the condition of the property and surrounding properties, as well as data base searches to see if the site has ever been listed with any of the Federal, State or local agencies. In addition, the Phase I site assessment also determines if any types of hazards exist at the site, either from past spills/releases or potential releases. GTE shall deliver a preliminary E-mail report outlining the issues found at the site and any recommendations for addition work, as well as a formal written Phase I report from the 3rd party consultant.
3. Based upon GTE's recommendations and upon request by Genuity, GTE shall conduct a Phase II site assessment on properties at which a Phase I site assessment already has been completed and at which issues have been raised about possible contamination. GTE shall retain 3rd party consultants to perform these assessments. A Phase II site assessment typically includes removal of samples and testing, such as soil samples and ground water testing. GTE shall propose the scope of the Phase 2 site assessment, which shall be subject to review and approval by Genuity. GTE shall deliver a preliminary E-mail report outlining the lab results and any recommendations for additional work, as well as a formal written Phase II letter report from the 3rd party consultant.
4. Based upon GTE's recommendations and upon request by Genuity, GTE shall conduct an Asbestos and Lead Survey on properties that are expected to undergo construction renovations and on all properties being offered for sale by Genuity. GTE shall retain a 3rd party consultant to perform the Asbestos and Lead Survey. The surveys shall include the sampling of any suspect asbestos containing materials (ACM) and any suspect lead painted surfaces. GTE shall deliver a preliminary E-mail report outlining the lab results from the survey and any recommendations on how to conduct any recommended abatement, as well as a formal written ACM/Lead Report from the 3rd party consultant.
5. Follow-up Evaluation Remediations –If the environmental site assessment for a property transaction reveals some type of contamination which must be removed, abated, remediated or cleaned-up ("remediation"), GTE shall manage the remediation if requested by Genuity. If Genuity retains GTE to manage any remediation project, GTE will identify and evaluate 3rd party consultants and remediation contractors, will review all proposals and negotiate changes to the proposals, and make recommendations to Genuity on the best appropriate course of action.

Genuity's Responsibilities with respect to Environmental Real Estate Transaction Services

Genuity is responsible for providing all information and data required for GTE to perform its duties hereunder, including, but not limited to, a detailed list of all new facilities to be considered for new leases/ownership, including address, point of contact, and age of building. Genuity also shall provide all information/instruction regarding processing and payment of invoices and expense reports.

ENVIRONMENTAL COMPLIANCE SERVICES

1. SPCC Plans – Upon request by Genuity, GTE shall select and retain consultants with a Registered Professional Engineer on staff to prepare SPCC Plans for all properties as required by Federal regulations, including aboveground tanks with a quantity of 660 gallons or an aggregate of 1,320 gallons or more of any petroleum product, and any underground storage tank with an aggregate of 42,000 gallons. GTE shall select the consultant, review the draft plan to determine if any corrections need to be made, and review and approve the final plan. GTE shall send a copy of each final SPCC Plan to the applicable site supervisor and maintain a copy on file. GTE also will determine when SPCC Plans require updates.
2. SPCC Training – Upon request by Genuity, GTE shall provide an employee lesson plan and roster sheet to site supervisors in order to permit Genuity to comply with Federal regulations that require the annual training of employees who may respond to a spill involving a SPCC regulated tank. GTE will maintain a copy of the training roster and will follow-up on any rosters not received.
3. Business Emergency Plans and SARA Title III Reporting – Upon request by Genuity, GTE shall review Federal, State and Local regulations relating to hazardous materials and complete all mandated reporting to the state-administering agencies for SARA Title III reports and state-mandated business emergency and other types of plans triggered by certain quantities of hazardous materials. GTE shall retain a 3rd party consultant to write site-specific business plans as required by the regulations.
4. Compliance Inspections – Upon request by Genuity, GTE shall perform compliance inspections at a designated percentage of reportable facilities. GTE shall verify the information submitted to the state agencies, including Battery and Fuel Storage data and completion of the eleven-part GTE Inspection report. GTE shall submit an inspection report to the site supervisor so that the site supervisor may correct any deficiencies found during the Inspection.
5. Spill Kits for Batteries and Fuel Oil Tanks – Upon request by Genuity, GTE shall provide spill control equipment as required at Genuity facilities that use or store hazardous materials.
6. Hazardous and Regulated Chemical Wastes – Upon request by Genuity, GTE shall manage the disposal of Genuity's Universal Wastes in accordance with Federal, State and Local regulations. GTE shall verify applicable disposal requirements, select contractors/disposal firms to handle/dispose/recycle the wastes, determine if facilities need an EPA ID number, complete all applicable paperwork, schedule pickups, and obtain copies of the shipping papers for permanent records.
7. Disposal/Recycling of Batteries – Upon request by Genuity, GTE will arrange for the disposal of Genuity's lead-acid batteries if such a need arises outside of the terms of Genuity's battery maintenance agreement. GTE shall set up a national service agreement for battery disposal. If requested by Genuity, GTE shall provide a list of battery recycling facilities and shall audit the disposal/recycling facilities. In addition, GTE will check local and state regulatory requirements to determine if there are any restrictions on battery disposal. GTE will complete and submit all applicable notifications/documentation required by regulatory agencies.

Genuity's Responsibilities with respect to Environmental Compliance Services

Genuity is responsible for providing all information and data required for GTE to perform its duties hereunder including, but not limited to, copies of all environmental violations or citations, notification of any spill/release of chemical of concern, hazardous/regulated waste transportation records, hazardous/regulated waste disposal records, and information about all new Genuity facilities. For each new Genuity facility, Genuity shall advise GTE if the facility has any aboveground storage tanks (AST's) or lead-acid batteries, and if it does the size and contents of the AST's, as well as number, manufacturer, make and model of lead-acid batteries. Genuity shall provide access to sites for GTE and GTE's 3rd party contractor personnel as needed and appropriate to complete reports, inventories, plans and assessments. Genuity shall provide or confirm chemical inventory information, site contact information and other data needed to complete reports, plans and inventories. Genuity shall inform and/or train its employees concerning chemical safety, emergency contingency procedures and chemical release provisions of written plans at Genuity sites. Genuity shall inform GTE of facility changes that trigger a need to revise inventories, business plans, spill plans or contingency plans. Genuity also shall provide all information/instruction regarding processing and payment of invoices and expense reports.

ENVIRONMENTAL ADMINISTRATION SERVICES

1. Record Retention - GTE shall administer the paperwork as well as process and archive required records in a central system. GTE shall keep Genuity's records separate from GTE environmental records. Genuity's records shall be the property of Genuity and will be transferred to Genuity, at Genuity's expense, as and when directed by Genuity.
2. Review Reports – In addition to the reports to be reviewed by GTE under other provisions of this SOW, GTE will review and provide comments and recommendations to Genuity concerning 3rd party consultants' work products and reports as requested by Genuity. GTE also will edit, help define and make recommendations to Genuity on applicable scopes of work for various projects.
3. Vendor Contracts – Upon request by Genuity, GTE will assist Genuity with contract negotiations with various 3rd party environmental consultants.
4. Review Invoicing - GTE will review all invoices submitted by 3rd parties retained by GTE for accuracy and timely billing. GTE shall verify each invoice against the original contract proposal and shall process invoices in accordance with Genuity instructions to GTE.

Genuity's Responsibilities with respect to Environmental Administrative Services

Genuity is responsible for providing all information and data required for GTE to perform its duties hereunder including, but not limited to, a list of vendors with whom Genuity desires to enter into contracts and procedures for record retention. Genuity also shall provide all information/instruction regarding processing and payment of invoices and expense reports.

ENVIRONMENTAL PROJECT MANAGEMENT SERVICES

1. Point of Contact – GTE shall designate a single point of contact to administer, monitor and follow-up on all work and program efforts. This project manager will provide monthly reports on program and compliance status to Genuity management.
2. Environmental Data Base – GTE shall establish an environmental database for GNI environmental work. The database will summarize by facility environmental work completed and key environmental characteristics of each site.
3. Reports - GTE shall provide standardized reports and metrics concerning the status of environmental programs to Genuity in mutually agreed formats. GTE and Genuity shall jointly devise and mutually agree upon reports frequency and content.
4. Invoicing - GTE will submit monthly invoices to Genuity for each month's service fee. The invoices will include a break down of labor costs by category and a separate line item for each expense category. GTE will retain monthly time sheets for each staff member that worked on the Genuity program showing their hours and the nature of the work performed. Invoices for contractor work and travel expense accounts will also be available by month. These backup records are to be maintained for three years. GTE shall make supporting documentation available for Genuity's review at GTE's offices at any time during normal business hours.

Genuity's Responsibilities with respect to Environmental Project Management Services

Genuity shall provide all information and data required for GTE to perform its duties hereunder including, but not limited to, providing GTE an Genuity point of contact to coordinate project management services and data needed to develop and maintain an environmental database. Genuity also shall provide all information/instruction regarding processing and payment of invoices and expense reports.

Pricing Structure for All Environmental Services Described in this SOW

Program Administrator	\$76.00 per hour
Program Manager	\$57.00 per hour
Administrative	\$31.00 per hour
Subcontractors and Consultants	direct cost + 10%

In addition to these fees and charges, Genuity shall reimburse GTE for all travel-related costs and expenses in accordance with the terms of the agreement and for all costs and expenses for long distance, communications, reproductions, courier and delivery services, postage and supplies incurred by GTE in the performance of these services.

Other Specific Terms or Conditions with respect to Environmental Services

GTE may use GTE-approved subcontractors to perform any of the environmental services under this SOW.

Any or all of the Environmental Services described in this SOW may be terminated by Genuity for any or no reason upon 60 days written notice. In the event of termination, Genuity shall pay GTE for all services performed through the date of termination.

LIMITATIONS WITH RESPECT TO ALL ENVIRONMENTAL SERVICES

GTE makes no representation or warranty concerning Genuity's environmental compliance; it is not possible for GTE to warrant Genuity's environmental compliance. GTE, acting in the capacity of an environmental consultant to Genuity, shall perform the environmental services described in this SOW in accordance with generally accepted practices in the environmental consulting field. Genuity acknowledges and agrees that GTE must, of necessity, rely upon information reported by Genuity employees and 3rd parties. GTE is not responsible for the accuracy of information provided by Genuity or any 3rd party, including without limitation subcontractors and consultants retained by GTE. Although this SOW states that GTE shall provide a variety of reports, the parties understand and agree that GTE's primary responsibility with respect to reports generated by 3rd parties is for GTE to coordinate and review such reports, using that degree of care GTE routinely exercises with respect to similar reports for its own properties.

Genuity shall inform GTE of all pertinent details of Genuity properties and operations that have environmental implications. Genuity also has responsibility to physically maintain its sites and the on-site records specified by GTE. Genuity is responsible for ensuring that its on-site personnel attend training and refresher reviews of the plans and procedures written for their respective sites.

SAFETY SERVICES

GTE Safety provides certain safety management, analysis, inspection and administrative services. Genuity desires to retain GTE to provide these services during an interim period while Genuity makes alternate arrangements for these services. GTE has agreed to provide the identified safety services as needed and requested by Genuity. Genuity may terminate these services upon 60 days written notice as set forth below.

1. GTE shall provide the following safety services upon request of Genuity:
 - On-site safety management services. Genuity shall provide a single point of contact to administer, monitor, and follow-up on program activities.
 - On-site job safety analysis to identify potential hazards and develop site specific recommendations for corrective action.
 - Inspection of Genuity facilities and operations to monitor compliance with occupational safety regulations.
 - Respond to or contest an OSHA citation at the informal hearing level and higher.
 - Identify site-specific safety training requirements, such as defensive driving, first aid/CPR, lockout/tagout, hearing conservation, hazard communication, emergency evacuation, and ergonomics. GTE may conduct this training or coordinate the appropriate training through a third party vendor.
 - Provide local supervision with root-cause investigation support for serious injuries or vehicle collisions that result in a loss time injury or fatality.
 - Coordination with a Certified Industrial Hygiene vendor to resolve indoor air quality issues in facilities owned or leased by Genuity.

- Assist in the development of building emergency evacuation plans for Genuity facilities.
2. In connection with such safety services, GTE shall provide the following safety program administration services:
- Record Retention - GTE shall administer the paperwork as well as process and archive required records in a central system. GTE shall keep Genuity's records separate from GTE safety records. Genuity's records shall be the property of Genuity and will be transferred to Genuity, at Genuity's expense, as and when directed by Genuity.
 - Vendor Contracts – Upon request by Genuity, GTE will assist Genuity with contract negotiations with various 3rd party consultants. In addition, as requested by Genuity, GTE shall monitor Genuity's consultants for quality control, cost-effective solutions, timely delivery of reports and otherwise to protect the interests of Genuity.
 - Review Invoicing - GTE will review all invoices submitted by 3rd parties retained by GTE for accuracy and timely billing. GTE shall verify each invoice against the original contract proposal and shall process invoices in accordance with Genuity instructions to GTE.
 - Standardized Reports – As requested by Genuity, GTE shall provide standardized reports concerning the status of safety support activities in a mutually agreeable format. Frequency and content of reports to be mutually agreed upon.
 - Invoicing - GTE will submit monthly invoices to Genuity for each month's service fee. The invoices will include a break down of labor costs by category and a separate line item for each expense category. GTE will retain monthly time sheets for each staff member that worked on the Genuity program showing their hours and the nature of the work performed. Invoices for contractor work and travel expense accounts also will be available by month. These backup records are to be maintained for three years. GTE shall make supporting documentation available for Genuity's review at GTE's offices at any time during normal business hours.

Genuity's Responsibilities with respect to Safety Services

Genuity shall provide all information required for GTE to perform its duties hereunder. Genuity must inform GTE of the pertinent details of any of Genuity's operations that may have employee safety implications.

Pricing Structure with respect to Safety Services

Safety Director	\$76.00 per hour
Safety Specialist	\$57.00 per hour
Subcontractors and Consultants	direct cost + 10%

In addition to these fees and charges, Genuity shall reimburse GTE for all travel-related costs and expenses in accordance with the terms of the agreement and for all costs and expenses for long distance, communications, reproductions, courier and delivery services, postage and supplies incurred by GTE in the performance of these services.

Other Specific Terms or Conditions with respect to Safety Services

GTE may use GTE-approved subcontractors to perform any of the safety services under this SOW.

Any or all of the safety services described in this SOW may be terminated by Genuity for any or no reason upon 60 days written notice. In the event of termination, Genuity shall pay GTE for all services performed through the date of termination.

LIMITATIONS WITH RESPECT TO SAFETY SERVICES

The purpose of this SOW with respect to safety services is to assist Genuity in fulfilling its responsibility to establish and maintain a safe work environment for employees. GTE does not (and cannot) warranty Genuity's occupational safety compliance and does not assume any of Genuity's safety responsibilities. Genuity must maintain its work place free from recognized hazards in accordance with OSHA regulations, ensure a safe environment for its employees, and take such steps as are necessary and appropriate to prevent accidents or losses.

Genuity shall inform GTE of all pertinent details of Genuity properties and operations that have safety implications. Genuity also has responsibility to physically maintain its sites and the on-site records specified by GTE.

IRVING-BASED BUILDING SECURITY SERVICES

GTE Security provides ID badge and card key issuance, alarm monitoring and investigative services for certain Genuity buildings in the Irving, Texas area. Genuity desires to retain GTE to provide these services during a transition period while Genuity makes alternate arrangements for these services. Genuity may terminate these services upon 60 days written notice as set forth below.

1. GTE shall issue ID badges and/or keycards to Genuity employees upon request and approval by an authorized Genuity supervisor. Genuity shall submit the ID badge and/or keycard request on a request form approved for use by GTE's Employee & Asset Protection department.
2. GTE will provide 24 hour monitoring of alarms in accordance with current practices and procedures in Genuity's buildings in Irving, TX and at which GTE currently provides these services. GTE will provide notification of alarms to Genuity in accordance with instructions from Genuity. Genuity understands and agrees that GTE's sole responsibility under this paragraph is to monitor the alarms and give notice of alarms in accordance with instructions from Genuity. GTE has no obligations or responsibilities to provide any other response to alarms.
3. Upon request of Genuity, GTE shall perform investigative services for Genuity to facilitate fact finding and improve information gathering in support of Genuity senior management, as well as to aid in prosecutorial activities, facilitate recoveries and encourage loss prevention. GTE shall report investigative findings in writing. Upon request of Genuity, GTE shall report material findings of criminal acts to the appropriate State or Federal criminal justice agency.

Genuity's Responsibilities with respect to Irving-Based Building Security Services

Genuity shall provide all information required for GTE to perform its duties hereunder, including without limitation current notification information in the event of an alarm.

Pricing Structure with respect to Irving-Based Building Security Services

ID Badge	\$ 2.50 each
ID Badge & Keycard Combination	\$ 5.00 each
Alarm Monitoring	\$30.00 per month
Investigative Services (Other than Computer Forensic Investigative Services)	\$ 60.00 per hour
Computer Forensic Investigative Services	\$150.00 per hour

Hourly rates will be charged for all time spent on investigative services, including without limitation all time associated with conducting investigations, reviewing documents, preparing reports and correspondence and attendance at meetings.

In addition to these fees and charges, Genuity shall reimburse GTE for all travel-related costs and expenses in accordance with the terms of the agreement and for all costs and expenses for long distance, communications, reproductions, courier and delivery services, postage and supplies incurred by GTE in the performance of these services. GTE shall submit quarterly invoices to Genuity for these Irving-based security services.

Other Specific Terms or Conditions with respect to Irving-Based Building Security Services

GTE may use GTE-approved subcontractors to provide any of the Irving-based building security services described in this SOW, with supervision of such subcontractors to be provided by GTE; however, Genuity shall not be responsible for the costs of such subcontractors except as expressly set forth herein.

The parties acknowledge and agree that the alarm monitoring equipment located at Genuity's premises is owned by Genuity and that Genuity has sole responsibility for the repair and maintenance of such equipment. GTE has no obligations or responsibilities with respect to repair and maintenance of such equipment.

Any or all of the Irving-based security services described in this SOW may be terminated by Genuity for any or no reason upon 60 days written notice. In the event of termination, Genuity shall pay GTE for all services performed through the date of termination.

LIMITATIONS WITH RESPECT TO IRVING-BASED BUILDING SECURITY SERVICES

GTE does not warrant services against intrusion, loss, property damage, vandalism, or injury to employees, visitors or contractors.

CAMBRIDGE-BASED BUILDING SECURITY SERVICES

Genuity Security provides ID badge and card key issuance, alarm monitoring, guard services and investigative services for certain GTE buildings in Cambridge, MA, New London, CT, Rosslyn, VA, and Columbia, MD. These services are provided from a central security control center located in a GTE-owned building in Cambridge, MA. Genuity uses this same security control center to monitor numerous other Genuity sites. Accordingly, GTE has agreed to lease the security control center to Genuity during a transition period to allow Genuity time to design and construct an alternate security control center at another site. In turn, during this transition period, while Genuity has exclusive use and control of the security control center in Cambridge, MA, Genuity has agreed to provide certain security services to GTE. These services shall terminate no later than December 31, 2000; however, Genuity may terminate these services upon 30 days written notice provided that Genuity's lease of the security control room likewise terminates upon the date of termination of these services as set forth below.

The Cambridge-Based Building Security Services to be provided under this SOW are to be provided under the terms and conditions of the Agreement, EXCEPT for purposes of these Cambridge-Based Building Security Services the service provider is Genuity and the customer is BBNT Solutions LLL ("BBNT"), an affiliate of GTE. Accordingly, for purposes of these Cambridge-Based Building Security Services, (i) Genuity agrees to be bound by the terms of the Agreement as if it were GTE thereunder, and (ii) GTE and BBNT shall be bound by the terms of the Agreement as if they were Genuity thereunder.

1. Genuity shall provide security management and system monitoring services as described below:
 - Genuity will provide 24 hour monitoring of the currently installed security management system in BBNT's buildings in Cambridge, MA; New London, CT; Rosslyn, VA; and Columbia, MD; and will provide notification of alarms to BBNT in accordance with instructions from BBNT. BBNT is responsible for providing current notification information.
 - Genuity will provide a weekly alarm report and a list of authorized card users generated from the DSX security management system.
 - Genuity will provide response to intrusion alarms on perimeter doors, medical emergencies, and other emergency situations. Genuity also will provide after-hour employee escorts and vehicle assistance. Genuity will provide reasonable response time to service requests, but actual time depends on other required duties performed by security personnel.
 - Genuity will maintain the access control system in proper working order at its cost and expense; however, BBNT shall reimburse Genuity for all repair costs resulting from the negligence or willful misconduct of BBNT or its employees, agents or contractors.
 - BBNT owns the security system components located in its owned and leased buildings covered by this SOW (specifically excluding BBNT's subleased premises located at 70 Fawcett Street, Cambridge, MA), EXCEPT Genuity owns the security console and the equipment located therein in the security control center located at 77 Fawcett Street, Cambridge, MA.
2. Genuity shall provide access control cards and keys as described below:

- Genuity will provide access control cards and photo identification to BBNT employees in accordance with currently established procedures.
- Genuity "owns" the facility code presently used on access control cards. Upon expiration or earlier termination of this SOW with respect to Cambridge-based security services, BBNT will endeavor to recover and return to Genuity the access control cards issued by Genuity.
- Genuity will process photo identification / access control cards in accordance with the current badge office hours and procedures.
- BBNT will provide Genuity with photo badge templates in digital format.
- Cost of the first 100 badges per month is included in the monthly Security Management Fee. BBNT shall pay a fee of \$25 per badge for each additional badge in excess of 100 badges issued in any month.
- Genuity will maintain the current mechanical key hierarchy until BBNT installs an alternate hierarchy. Costs of keys will be included in the Security Management Fee. Re-coring costs will be charged at cost + 10%.

3. Genuity shall perform investigative services for BBNT as described below:

- Genuity will provide initial response to reports of internal thefts, security complaints and other security-related matters. Genuity's initial response and report is included in the Security Management Fee.
- Upon request by BBNT, Genuity may provide further investigation beyond initial response and report at a cost of \$75 per hour. BBNT shall reimburse Genuity for all travel-related costs and expenses associated with investigations in accordance with BBNT's travel policy. If Genuity does not have the capacity or desire to perform investigations beyond initial response and report, Genuity shall decline to provide such additional investigative services; Genuity shall not retain any third party consultants or investigators for or on behalf of BBNT.
- BBNT is responsible for background investigations of BBNT new hires

4. Genuity shall provide guard services to BBNT as described below:

- Genuity shall provide routine guard services in accordance with existing practices, including guard patrol services to internal and external BBNT property and initial emergency response. Genuity will manage the guard services.
- If BBNT requests any special guard services for moves or other special events, BBNT shall pay the direct costs incurred by Genuity in accordance with Genuity's guard service contract, plus a 10% management fee, for such additional coverage.
- Routine guard tours will include required checks of government secured containers and rooms.
- Genuity will provide government "cleared" guards until May 31, 2000 and will provide required response to secure open government containers and rooms in accordance with present practices. Genuity will not maintain the capability to provide "cleared" response beyond May 31, 2000.

Term for Cambridge-Based Building Security Services and Transition of Services

The parties acknowledge that Genuity is leasing the space for the security control center located at 77 Fawcett Street from BBNT under the terms of a Lease Agreement of even date herewith.

The parties further acknowledge and agree that it is the intention of both parties to transition the security services covered by this SOW from Genuity to BBNT on or before December 31, 2000. In furtherance of this transition, Genuity hereby agrees to diligently proceed with the selection, design, and build-out of an alternate security control center to which it will migrate all non-BBNT security management and monitoring conducted by Genuity at 77 Fawcett Street.

This SOW shall terminate with respect to the Cambridge-based security services upon the earlier of (i) December 31, 2000, or (ii) 30 days after written notice of termination from Genuity to BBNT; it being understood and agreed that Genuity's lease of the security control room likewise shall terminate upon the date of termination of this SOW. Upon termination of this SOW, the parties agree to cooperate with each other in transitioning the security services provided hereunder to BBNT or its designated third party provider.

In addition, and notwithstanding anything to the contrary contained in this SOW, BBNT may terminate this SOW with respect to the guard services described in paragraph 4 above upon 30 days written notice to Genuity.

BBNT's Responsibilities with respect to Cambridge-Based Building Security Services

BBNT shall provide all information required for Genuity to perform its duties hereunder, including without limitation current notification information in the event of an alarm. As stated above, BBNT also will provide Genuity with photo badge templates in digital format.

Pricing Structure with respect to Cambridge-Based Building Security Services

Genuity may use Genuity-approved subcontractors to provide any of the Cambridge-based building security services described in this SOW, with supervision of such subcontractors to be provided by Genuity; however, BBNT shall not be responsible for the costs of such subcontractors except as expressly set forth herein.

In addition to the fees set forth elsewhere herein, BBNT shall pay Genuity the following fees for these services:

System Monitoring Service (including all system maintenance and repairs, except as expressly set forth in this SOW)	\$5,400.00 per month
Security Management Fee	\$2,675.00 per week
Routine Guard Services Fee	\$3,330.00 per week

Genuity shall submit monthly invoices to GTE for these Cambridge-based security services.

LIMITATIONS WITH RESPECT TO CAMBRIDGE-BASED BUILDING SECURITY SERVICES

Genuity does not warrant services against intrusion, loss, property damage, vandalism, or injury to employees, visitors or contractors. The success of any security program is contingent upon the active participation of all employees, visitors and contractors and requires the support of all levels of management.

GTE SERVICE CORPORATION

By: _____

Title: _____

GENUITY SOLUTIONS INC.

By: _____

Title: _____

**STATEMENT OF WORK
FOR
BILLING SERVICES**

This Statement of Work ("SOW") is made by GTE Consolidated Services Incorporated, ("CSI") and Genuity Solutions Inc., and its subsidiary companies (collectively referred to as "GENUITY"), and is hereby made a part of and shall be governed by the Transition Services Agreement.

This SOW establishes the terms and conditions pursuant to which GENUITY wishes to obtain from CSI, and CSI shall provide to GENUITY, billing, credit and collection services for GENUITY for a transitional period of one (1) year. This SOW may not be renewed. During the transition period, GENUITY requires various billing, credit and collection services in order to properly bill and receive revenue from its customers. CSI has in the past, and continues to possess, the capability of providing such billing, credit and collection services to meet the billing, credit and collection needs of GENUITY for the continuing and uninterrupted flow of revenue to GENUITY.

1. SERVICES IN GENERAL.

(a) This SOW establishes the terms and conditions pursuant to which GENUITY shall obtain from CSI, and CSI shall provide to GENUITY, billing, credit and collection services regarding GENUITY's corporate/commercial customers (individually and collectively, "Services") described in various schedules to this SOW (individually a "Schedule" and collectively the "Schedules"). To the extent of any conflict or inconsistency between the terms and conditions of a Schedule and the terms and conditions of this SOW, the terms and conditions of the applicable Schedule shall control.

(b) All Schedules shall be and are hereby incorporated by reference as a part of this SOW and shall: (i) describe the type and scope of Services to be performed, resources to be provided or obligations to be discharged by CSI pursuant to the SOW; (ii) describe the obligations of GENUITY related to this SOW, including any facilities, equipment, personnel and tasks or other support to be provided or performed by GENUITY; (iii) specify any other terms and conditions appropriate to the Services to be performed and the obligations of the parties relative thereto. The attached Schedules are as follows:

Schedule A-Description of Services

Schedule B-Performance Standards

Schedule C- Current Products Billed

Schedule D-Change Request Procedures

Schedule E- Arbor Conversion

Schedule F-ATM Services

Schedule G- Pricing

Schedule H- Tax Services

(c) . No changes to the scope of Services shall be permitted unless set forth in writing pursuant to the procedures set forth in Schedule D, *Change Request Procedures*.

2. CREDIT AND COLLECTION SERVICES.

(a) CSI shall perform the credit and collection Services set forth in the Schedules, upon written request by GENUITY.

(b) In addition to the provisions of the Transition Services Agreement concerning Compliance with Laws, with regard to Credit and Debt Collection, the parties, their employees, contractors, agents and assigns shall comply with all applicable federal, state and local credit and debt collection statutes, ordinances, regulations, and codes including but not limited to the Fair Credit Reporting Act, 15 U.S.C. Section 1681, et seq., The Equal Credit Opportunity Act, 15 U.S.C. Section 1691, et seq., The Fair Debt Collection Practices Act, 15 U.S.C. Section 1692, et seq., and the Consumer Credit Protection Act, 15 U.S.C. Section 1601, et seq.

3. INFORMATION TECHNOLOGY REQUIREMENTS.

CSI will provide such records and data processing tools as necessary, to provide the Services set for herein, either through its own information technology ("IT") resources or those of its affiliates and third party contractors. GENUITY will give CSI prompt written notice of any modifications to its existing records and data systems, when it augments such systems or obtains new records and data systems, that may materially affect CSI's ability to provide services hereunder.

4. REPLACEMENT AND MODIFICATION OF SYSTEMS.

CSI reserves the right to modify or replace its billing systems at any time during the term hereof, to support increased capacity or new products or services requested by GENUITY or required for the performance of Services by CSI ("Changes"), provided, however, such Changes will not result in any material loss of functionality of such billing systems or Services. CSI shall give GENUITY immediate notice of such Changes. .

GENUITY understands and agrees that as used herein, the term "billing systems" shall refer solely to the protocol that CSI employs in tandem with the particular transmission medium used by GENUITY that enables CSI to read and process GENUITY's data as detailed in the Schedules and any attachments thereto.

5. SERVICES PRICING AND INVOICING

(a) Pricing for CSI Services is set out in Schedule G, *Services Pricing*. Such pricing does not include applicable sales, use or similar taxes, which shall be added to the amount invoiced.

(b) In addition to the provisions set forth in the Transition Services Agreement, GENUITY agrees to pay the full invoiced amount represented on each invoice, or in the event that an amount is in dispute, submit a written request for review of the disputed portion of the invoice by the payment due date of the invoice. If GENUITY fails to pay or submit a request for review of a disputed billing procedure, as provided herein, by the payment due date, CSI reserves the right to charge interest at a rate of 1½ % per month or at the highest allowable statutory rate. In the event of a dispute concerning an invoice received by GENUITY, GENUITY shall promptly notify CSI in writing of the disputed item(s) with a description of the dispute on or before the due date of the invoice. CSI shall respond within 20 days of receipt of such dispute. If the dispute cannot be resolved by the parties within 30 days thereafter, the parties will resort to the dispute resolution procedures set forth in the Transition Services Agreement.

(c) In addition to the provisions for expense reimbursement set forth in the Transition Services Agreement, GENUITY shall reimburse CSI for all reasonable expenses approved by GENUITY, incurred on GENUITY's behalf for the purposes of providing the Services ("Expenses"). There shall be no mark-up for invoiced Expenses. CSI shall invoice GENUITY for Expenses as they accrue monthly.

(d) The parties shall negotiate pricing within 120 days of the anniversary of this SOW as set out in Section 6 (b) Term with new pricing to be effective on the anniversary date of this SOW. However, CSI reserves the right to increase its rates and charges at any time during the term or any renewal term to include increases in costs as the result of changes in Applicable Law, regulation, or postal rates, or other similar circumstances beyond CSI's control, related to CSI's provision of Services, whether recurring or non-recurring, upon thirty (30) days written notice to GENUITY.

Upon GENUITY's termination of this SOW, for convenience before the end of the initial term, as provided in Section 6, prior to the end of the term, GENUITY will reimburse CSI, its parent or affiliate, as the case may be, for all GENUITY-approved, third party

costs for equipment or software which have been incurred by CSI after the execution of this SOW as a direct result of CSI's provision of Services under this Agreement or any Statement of Work, provided that GENUITY shall be entitled to any right, license or title related to any such equipment or software to the extent CSI has the legal authority to convey such right, license or title. In addition, in the event GENUITY terminates this SOW for convenience during the term or any renewal term, GENUITY will reimburse CSI for \$8 million of the \$16 million license fee paid by CSI, its parent or affiliated company, as the case may be, for the Kenan-Arbor Software License.

6. TERM.

(a) This SOW is effective as of the Effective Date of the Transition Services Agreement and shall continue in full force and effect for an initial term ("Initial Term") of one (1) year. This SOW may not be renewed..

(b) Termination without Cause. Either party may terminate this Statement of Work without cause upon a minimum of one hundred and eighty (180) days written notice to terminate. The parties agree that this notice period is longer than the 120 day termination provision set out in the basic Agreement, and agree to the longer period in order to accommodate GENUITY's minimum requirements in transitioning to another service provider or another billing and collection mechanism. Upon receipt of notice of termination, the parties shall meet to determine a plan for transition and termination, the termination date shall not be longer than one year from the date the non-terminating party receives such notice of termination.

(c) Termination for Cause. GENUITY may terminate this Statement of Work for cause, upon written notice and with an opportunity to cure pursuant to the Transition Services Agreement, due to CSI's material failure to administer GENUITY's established policies and procedures (which have been given to CSI in writing prior to such alleged failure). For purposes of this agreement, "material failure" is defined as the occurrence of either: (i) three (3) or more breaches of separate policies or procedures within a twelve (12) month rolling period or (ii) two (2) or more breaches of the same policy or procedure within a rolling twelve (12) month period.

(d) In addition to the foregoing, this SOW may be terminated by: (i) mutual agreement of the parties or (ii) in the event of termination of the Transition Services Agreement, this SOW will terminate simultaneously therewith.

7. CSI ON- SITE PERSONNEL.

(a) CSI shall provide on-site personnel at specifically designated GENUITY location(s) to support GENUITY's requirements as mutually agreed by the parties. All such on-site personnel will work under the direction and control of CSI.

(b) CSI shall be responsible for all timekeeping, payroll, applicable benefits (if any), workers compensation, insurance, employment and other related taxes, documentation and related administrative duties or other requirements with respect to the CSI on-site personnel.

(c) CSI shall require all employees or subcontractors located on-site at GENUITY's location(s) to comply with the published rules, regulations and policies of GENUITY which shall be provided to all on-site employees at the time the on-site employee is assigned to an GENUITY location(s).

(d) CSI and the on-site personnel shall treat and maintain all information obtained at GENUITY's location(s) as Confidential Information as set forth in the Transition Services Agreement.

(e) In the event that GENUITY requires on-site personnel, GENUITY will provide adequate office space and accommodations to support such on-site personnel. The term "adequate office space and accommodations" means that GENUITY shall provide, including but not be limited to, office space specifically designated for CSI employees in or near GENUITY's offices equipped with computers, telecommunications, e-mail, internet access, ordinary and customary office furniture and equipment and mail and janitorial services.

(f) In the event that GENUITY requires the office relocation of any on-site personnel provided by CSI, GENUITY will reimburse CSI for all business-related costs incurred by CSI associated with relocation of CSI personnel as set forth herein. 8.

ACCESS NEEDS OF PARTIES AND CONFIDENTIALITY PROTECTIONS FOR PERSONNEL ON SITE TO EITHER PARTY.

In addition to the provisions set forth in the Transition Services Agreement, each party shall permit reasonable access during normal working hours to its facilities and systems that are used in connection with the performance of Services. On-site personnel shall be given security authorization for limited access to GENUITY's facilities for the purpose of performing the Services. For all other types of access by non on-site personnel, reasonable prior notice shall be given when access is required.

9. FORECASTING

In order to permit CSI to plan for and implement the Services, GENUITY shall provide CSI with quarterly forecasts of billing volumes for each fiscal quarter during the term hereof. Each quarterly forecast must be submitted to CSI no later than 60 days prior to the end of the preceding quarter and such forecast shall provide:

- (1) volume of gross billing (in dollars),
- (2) percentage increase or decrease in volume of amounts billed,
- (3) billing volume for new customers and estimated dollar value.
- (4) Number of Customers- Broken out into classifications: Total, New and Incremental (increase or decrease)
- (5) Number of Usage Records (for usage products) per month, per product; date expected to be made available to billing; requested in-service date
- (6) Number of Non-Usage Billing Events: NRC's and MRC's per month, per product; date expected to be made available to billing; requested in-service date
- (7) Volume of Individual Customer Basis contracts
- (8) Activation time required for new customer or new products to introduced in the applicable quarter and the effective date for the following:
 - (i) new products
 - (ii) new customers
 - (iii) new pricing
 - (iv) bundled services and/or pricing
- (9) Requirements for development of new billing capabilities or changes to existing capabilities pursuant to Schedule D, *Change Request Procedures*.

The parties acknowledge that material changes to billing events processed by the CSI system, including but not limited to, introduction of new products, the addition of a significant number of new customers, significant deviations from forecasted volumes or significant increases in billing volumes, or delays from forecasted dates in launching new products may lead to limitations on CSI's ability to provide the Services. In order to provide CSI with the best available information concerning GENUITY's projected volumes and changes that have an impact on CSI's provision of the Services described in this SOW, the parties shall meet quarterly to review GENUITY's forecast for the next quarter to determine

the requirements of each party in order for CSI to provide the level of Services required by this SOW.

10. CHANGE CONTROL.

(a) All requests for changes to or addition of Services for new products, new customers, termination of customers, significant increases/decreases to numbers of bills or other changes regarding the Services must be made in accordance with the Change Request Procedures set forth at Schedule D.

(b) In addition, GENUITY shall communicate all IT requirements, changes, clarification, question or requests of any nature regarding the CSI system directly to CSI personnel or management. In no event shall GENUITY communicate directly with any affiliates or subcontractors of CSI regarding such requests or other components or services rendered pursuant to this SOW without the written consent of CSI.

11. TAXES.

- (a) CSI shall provide the tax services described in Schedule H, *Tax Services*. GENUITY shall be liable for all applicable sales, use or similar taxes for amounts invoiced to GENUITY's customers and GENUITY shall be responsible for preparation and filing of all tax returns and applicable tax reporting to all taxing jurisdictions. Taxes shall be added to each customer's invoice, however, CSI shall not be liable for miscalculation or omissions with regard to such taxes.

12. MODIFICATION

This SOW or any Schedule attached hereto may only be modified or amended by an instrument in writing signed by duly authorized representatives of the parties pursuant to the terms of the Transition Services Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this SOW through their authorized representatives.

GTE Consolidated Services Incorporated

Genuity Solutions Inc.

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____